IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 25.07.2018

CORAM

THE HON'BLE MR.JUSTICE HULUVADI G.RAMESH
AND
THE HON'BLE MR.JUSTICE M.DHANDAPANI

W.A.No.1499 of 2018
and
C.M.P.No.11859 of 2018

A.Deepika ... Appellant/Petitioner

-vs-

The Branch Manager,
State Bank of India,
Thalaignayiru Branch,
Tiruturaipoondi Taluk,
Tiruvarur District. ... Respondent/Respondent

Appeal filed under Clause 15 of Letters Patent, against the order passed by this Court in W.P.No.1661 of 2018 dated 06.06.2018.

WP.NO.1661/2018:

Writ Petition filed under Article 226 of the constitution of India for issuance of Writ of Certiorarified mandamus call for the records pertaining to the impugned rejection order dt 2.11.2017 passed by the respondent and quash the same and consequently to direct the respondent to provide educational loan to the petitioner within stipulated time prescribed by the Indian Bank Association and to pay the loan sum of Rs. 3 40 000/- (Three Lakhs and Forty Thousands only) for pursuing B.Sc. Nursing Course in 2016 to 2020.

For Appellant :: Mr.P.Vijendran

For Respondent :: Mr.Chevanan Mohan for
M/s.King & Patridge

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JUDGMENT

(Delivered by HULUVADI G.RAMESH, J.)

The case of the appellant is that she has completed Higher Secondary Examination in the year 2016-2017 and joined

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B.Sc.Nursing Course in M/s.Karthikeyan College, Anthanapettai, Nagapattinam. The duration of the Course is four years and the fees fixed for the entire course is Rs.3,40,000/-. The appellant states that she belongs to Scheduled Caste Community. She approached the respondent-Bank and requested for educational loan for the said course. Even after providing the necessary documents and making repeated representations, the respondent-Bank had neither granted the loan nor given any reply. One such representation made by the appellant was dated 13.07.2017. The appellant filed a writ petition in W.P.No.26983 of 2017 before this Court for a Mandamus to consider the said representation. When the said writ petition was taken up by this Court on 02.11.2012, it was represented on behalf of the Bank that the loan application of the appellant was already rejected on 20.07.2017. Therefore, the writ petition was dismissed as infructuous with liberty to challenge the rejection order. Thereafter, the appellant came to know that the said application was rejected not on 20.07.2017 but on 06.11.2017.

2.In these circumstances, the appellant filed a writ petition before this Court in W.P.No.1661 of 2018 challenging the rejection order dated 02.11.2017 and for a direction to the respondent to provide educational loan to the appellant. The said writ petition was dismissed by the learned single Judge by order dated 06.06.2018. Hence this appeal.

3.The learned counsel for the appellant has submitted that the respondent Bank is duty bound to grant educational loan and it is the policy of the Government that once the guidelines are fulfilled, the bank cannot prevent a poor student from pursuing her studies more particularly, when the appellant belongs to weaker section of the society. Further, the appellant's request was rejected on many grounds one being that "Nursing course does not come under IBA Educational Loan Scheme" and also that her father is a defaulter. According to the appellant, even assuming that her father is a defaulter and several loans were pending against him, with regard to this loan, it is only the appellant who is going to pay the money after completion of the course and hence, the respondent ought not to have rejected the request of the appellant seeking educational loan.

4.The learned counsel for the respondent-Bank has submitted that the learned single Judge has considered the matter in proper perspective and has passed the impugned order, which does not require any interference in the hands of this Court.

5.Heard the learned counsel on either side and perused the materials available on record carefully and meticulously.

6.It is the submission of the learned counsel for the appellant that even though 60% of marks have to be secured for availing the loan, the appellant has not secured 60% of marks. However, she is entitled to avail the loan as she belongs to

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Scheduled Caste Community. Further, in respect of the contention that the appellant's father has committed default in repayment of loans availed from various other banks, the learned counsel for the appellant has submitted that the appellant's father has not committed any default.

7.It is the submission of the learned counsel for the respondent-Bank that the appellant has been admitted only in the Management quota and not on merits. For availing educational loan, the candidates should possess a minimum of 60% marks. Further, the appellant's father has committed default in repayment of loan availed from various other banks and several suits are pending against him. As per the revised IBA Model Educational Loan Scheme, for pursing higher education in India and abroad, the appellant is not eligible for educational loan, according to the learned counsel for the respondent-Bank.

8.After perusing the records, we find that Clause-7 of SBI Student Loan Scheme does not cast an obligation on the part of the appellant's father. But, the appellant's father has not produced the salary certificate to the Bank. As per the submission made by the learned counsel for the appellant, the appellant's father has not committed any default of loans in any bank. But the learned counsel for the respondent-Bank has produced the details of loans borrowed by the appellant's father in some other bank, ie., Canara Bank, Vedaranyam Branch, from which it is seen that the appellant's father has borrowed four loans amounting to Rs.2,00,000/-, Rs.2,70,000/-, Rs.3,13,000/- and Rs.40,000/- respectively. As per the Model Educational Loan Scheme for pursuing higher education in India and abroad, in respect of the objectives of the scheme, it is stated that the said scheme has been devised to provide financial support from the banking system to meritorious students for pursuing higher education in India and abroad. The main emphasis of the Scheme is to provide an opportunity to poor students to pursue education with the financial support from the banking system with affordable terms and conditions. In the present case, it is seen that the appellant has been admitted only under the Management quota and not on merits. Further the condition of obtaining 60% marks has not been fulfilled. Hence the contention of the learned counsel for the appellant that the case of the appellant has to be considered by the Bank since she belongs to Scheduled Caste category cannot be countenanced. Further, it is clear from the details produced by the learned counsel for the respondent-Bank that the appellant's father has borrowed 7 loans from Canara Bank out of which 3 loans were cleared and 4 loans still remains to be cleared.

9.Further, it has been held by a Division Bench of this Court in A.Kasinathan v. The Branch Manager, Canara Bank,

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reported in MANU/TN/1078/2012 that in case of students who had secured admission under the Management quota, educational loan could be considered only if the candidates had secured 60% marks in the qualifying examination, as per the revised guidelines of the Nationalised Banks while granting educational loan to students. The said decision has been followed by the High Court of Kerala at Ernakulam in its decision in Arya K.R.and Ors. v. The Assistant General Manager, Reserve Bank of India, Rural Planning and Credit Department and Others, reported in MANU/KE/1786/2015. In the present case, the appellant has been admitted only under the Management quota and further, she has not secured 60%. As already stated, only meritorious students are considered for the Scheme in question. In these circumstances, the case of the appellant does not deserve any consideration.

10.In the result, the writ appeal is dismissed. Consequently, the connected miscellaneous petition is closed. No costs.

Sd/-
Assistant Registrar(CS IX)

//True Copy//

Sub Assistant Registrar

KM

To

The Branch Manager,
State Bank of India,
Thalaignayiru Branch,
Tiruturaipoondi Taluk,
Tiruvarur District.

+1cc to Mr.P.Vijendran, Advocate sr.no.49940
+1cc to M/s.King & Patridge, Advocate sr.no.50288

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